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INTER-OFFICE CORRESPONDENCE

REILLY TAR & CHEMICAL CORPORATION

TO: Mr. T. E. Reilly - Indianapolis

OFFICE: St. Louis Park

FROM H. L. Finch

DATE March 16, 1967

SUBJECT: ST. LOUIS PARK ABOVE THE GROUND PIPING - REPINERY

A number of letters have been written and a good deal of discussion has resolved around the need for St. Louis Park to remove the pipe lines from the trenches and place them above ground. Basically, both the Engineering Department and the Production Department are agreed that the above the ground piping will provide a more efficient operation at St. Louis Park.

Brielly, the trenches that now contain the piping between the tamin in the tank farm and the Refinery, have become quite crowled over the years and sediment has built up so that leak; are virtually impossible to locate and, if they are located, are extremely difficult to repair. The concrete that forms the trenches has gradually deteriorated and the hangers holding the pipes have been pulled out of the concrete. The amount of steam necessary to operate the treating plant and the refinery has increased over the years. To better utilize the steam produced the steam lines were removed from the trenches and placed above ground. By removing the steam lines from the trenches we remove the inefficiency of heating up the water often contained in the trenches, but our problem of cold lines was increased. Now we are faced with the extremely difficult task of heating a line sufficiently to insure no plug ups during pumping.

The wasted movement and difficulties encountered because of our lines being in trenches, contribute many factors to increased cost. For example; the other day in loading a car of creosete oil that should have taken a matter of hours turned into a task that ran into a matter of days. The wasted motion and disrupted production robs St. Louis Park of prospective profit.

Mr. Fenoglio originated work order request 246 for "New Tar Process and Transfer Lines" in accordance with his drawing 246A-1, after preparing a preliminary estimate on June 3, 1963. The reason for the delay between the preliminary estimate and the consummation of the drawing was the inability to devote engineering time to this project. Engineering time had not been available to us so that we felt we could satisfactorily progress with the above the ground piping, until Nr. Paul White received a transfer from Indianapolis to dinneapolis. Nr. White had now become familiar with the St. Louis Park Refinery sufficiently so that a project of this nature might be undertaken.

The over-all revamping of the Refinery piping was broken into two phases:

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- 1. The above the ground piping in the tank ferm to the headers in the Refinery, referring to drawing 246A-2 prepared by Er. White.
- The elimination of the ground tanks and replacement by above the ground tanks.

The first phase was given preference since more difficulties are encountered with line plug ups and leaks in the trenches in the tank farm and to and from the tank farm, than the trouble we experience with the underground tanks. This is a difficult distinction in the Spring when our problem with underground tanks is immeasurably increased with the rising water.

Plans were considered to possibly do the greater proportion of the change over with our num personnel. However, on reexamining our staff and the task before us, it was realized that we did not have the time nor the facilities. With the labor supply being very short a consideration of increasing our staff on a temporary basis was set aside.

Two quotations were obtained on the first phase to cover the above the ground piping in the tank farm. Bjorkman gave us the most detailed quotation and, since they had done other work for us in a very satisfactory manner, we recommend that they be given the order to proceed with the above the ground piping on the first phase. Bjorkman's estimate is based on a cost-plus arrangement, not to exceed \$24855.00. Included is a copy of their proposal and estimate cost sheet.

Yours very truly,

H. L. Finch

HLP:ds

Enc.

cc: Mr. C. P. Lesher - Indpls. Mr. R. J. Hennessy - Reilly Lab.